

**Chief of Naval Operations**  
**Adm. Jonathan Greenert**

**Chief of Naval Personnel**  
**Vice Adm. Bill Moran**

### **Conversation with a Shipmate – Personnel Issues**

**March 3, 2015**

**Lt. Hutcheson:** Good morning, and welcome to another addition of Conversation with a Shipmate. I'm Lieutenant Caroline Hutcheson inside the Pentagon studio here in Washington, DC, joined by MC1 Elliot Fabrizio.

**MC1 Fabrizio:** Thank you, ma'am. We have a unique opportunity this morning as we're joined by both the CNO, Admiral Greenert, and the Chief of Naval Personnel, Vice Admiral Moran. Gentlemen, thank you for joining us.

**Adm. Greenert:** You're welcome; it's good to be here.

**Vice Adm. Moran:** It's great to be here, thanks.

**Lt. Hutcheson:** Admiral, Happy Monday. We're going to take the opportunity to have both of you here to talk about people. You've both been out on the waterfront a good bit talking to sailors and their families about issues close to their heart, but we're also talking a lot about what we need to build tomorrow's Navy -- force structure, ship count, the FY16 budget.

So Admiral Greenert, I wanted to get your take on your approach to people. Do we need to take the same long-term view? Or are people more of a here and now issue?

**Adm. Greenert:** It's both. Isn't that the easy way out? No, but it really is both. People are our asymmetric advantage, but we have to -- We ask them to do so much. They are so flexible, they adapt so quickly. We have to take care of them in the here and now. What I mean by now is gaps at sea, a decent promotion opportunity, get deployments under control, give them predictability, compensation, that's the here and now. Uniforms.

But also there's a more important aspect and it's becoming ever more clear and Bill's said that very clearly to me. We need to look into the future. What are we going to look like in five years? In ten years? Does the Navy Personnel Command have the database to handle that? Are we going to be able to challenge them? And as he says, are we going to be able to manage that talent out there? That's incredibly important. So we need to do both.

We have been so used to just having folks, taking them now, but we're going to have a very different challenge in the future.

**MC1 Fabrizio:** CNP, that talent management aspect is something you've discussed many times in your writing and at your All Hands Calls, and you talk about the need to develop new tools and approaches for talent management. What will that mean for sailors going forward? That seems like a very future concept. What's driving that now?

**Vice Adm. Moran:** How much time do we have? This could take a while.

**Adm. Greenert:** Executive summary.

**Vice Adm. Moran:** Executive summary.

I'll try to get to it pretty quick. Fundamentally, I look at the system that we have today and it reminds me of an old '57 Chevy that has great need of a new engine. We need to put more horsepower in that car. We need to put modern electronics in it. We need to take it to the 21<sup>st</sup> century.

Our current personnel system was built back in the 1940s. We haven't changed a whole lot other than the all-volunteer force in the '70s and Goldwater/Nichols in the '80s. So it's pretty much fundamentally the same car. It's time to upgrade it. The CNO and I have talked about the information system which is a little bit cumbersome today, slow, and so people at the deck plates and people in Washington and Millington do not have the data available to them to make quick, smart decisions. Instead we rely, quite frankly, on using crayons and hammer and chisel to get information passed around. So that's a fundamental difference that I see coming and the change. It's going to take some time to make, but there are also several things we've got in motion today that I think will help sailors and chain of commands work on being able to manage that talent in the future much better.

**Adm. Greenert:** That's an important point. Sorry for cutting in, but when we look at all of our weapon systems that our kids are out there operating, we always have a plan to upgrade it. The computers are upgraded, the processors, the networks. We haven't done that in the personnel system. We have to do that. He's made that very aware to me and we're going to pull together and get this right.

**Lt. Hutcheson:** I think I heard you mention at a conference recently, working yourself out of a job in the bureau. Is that possible?

**Vice Adm. Moran:** It's a little tongue in cheek. Some would like to see me work out of a job. But really what I mean by that is if we can get this information down to the deck plates, down to CO's and Command Master Chiefs, where they're having the personal conversation with sailors, eyeball to eyeball, they're, in my view, a much better judge of the talent that's in our fleet than the bureau is. So if we five, ten years from now we have a system in place that allows that conversation to happen, you don't need a bunch of folks in Washington managing this, you don't need a lot of folks in Millington managing it.

We've got phenomenal people working down in Millington. It's a hard job to be a detailer. It's a hard job to be a community manager. And it's hard because they don't have as many tools

available to them to manage the really good sailors they see out there on the officer side, the enlisted side. So we've got to get more information to them. It's got to be current, and then they have to have tools that they can have a conversation with the sailors today. So that's kind of the interim step. Get the information to Millington and the detailers, down to the CO's and XO's and the Command Master Chiefs, and then I think in the end we'll have a much better personnel system.

**MC1 Fabrizio:** You talk about improving the personnel system and bringing new flexibility to it. I wanted to ask if some of the constraints that sailors encounter now might be alleviated. I know in my career I had some trouble with the categorization by year group, and I know some other sailors might have as well. Will these improvements reach some of the portions of the system like that?

**Vice Adm. Moran:** Yeah. Fundamentally the part that frustrates officers and enlisted in our Navy today is this notion of tracking and managing everybody by year group. It's part of the law, so it's something we have to deal with. It's part of our frustration too.

When we see really good sailors out there who are doing extraordinarily well in the fleet, and they want to reenlist but their rate and their year group is overmanned, and there's not an opportunity to reenlist, we give them a choice. You can either leave or you can convert to another rate. A lot of the sailors that join and are committed to the rate they're in, they don't want to leave that rate.

So if we didn't have to worry so much about year group management in terms of the quantity, we could really go after the quality and put those people where they want to be. We want the motivated ones, the smart ones, to stay in our Navy. I see example after example out there where a young petty officer who's looking to stay in is frustrated by the fact that another petty officer who may not be setting the world on fire isn't as motivated, yet his year group isn't as overmanned and they get to reenlist and he or she doesn't. I think that's a fundamental flaw in the way we have set the system up.

You need information to manage that, though. You can't just do it by saying we're not going to manage by year groups anymore. You've got to have readily available information.

On the officer side, the same thing. We see young officers who choose to go a different path to success, only to find themselves sidelined and unable to get back on the track to success because we manage them by year group. So stand in line and await your opportunity, wait your turn as opposed to am I ready? Have I met my milestones? My career aspirations? I'm ready to go. Why can't I get in the game, coach? The answer is, well, it's not your time yet. That's a really frustrating conversation.

**Lt. Hutcheson:** I know in the officer community that will be great to hear, that you're looking at talent and opportunity and managing that in a non-linear way, or in a less linear way.

We're going to start talking about training a little bit. A topic important to sailors on the deck plate for sure.

**MC1 Fabrizio:** CNO, you've recently talked about faster technical training. I understand this is something that both of you are working on. What will that mean for sailors? What net effect will that have? Then also, what's driving that as a push?

**Adm. Greenert:** What's driving it is if you enlist in the Navy in six years, I ask myself how many years do I get you at sea, if you will, or any of your shipmates. So you think about it, you say I'm in, and you sign the papers and they say all right, come back in six, seven, eight, nine, I don't know, a year. Who knows? Then you'll come into your military entry processing station at some point in the future.

What am I doing with you before then? Am I giving you any kind of a basic course? Basic mechanics, basic electricity, whatever, so that when you go to A school eventually you're already kind of -- You've got some of the basics.

A lot of our kids out there, they don't handle screwdrivers, wrenches, electrical things and we're going to make them an electrician. It's a different kind of person that we have coming in the Navy today, but yet our A school and some of those are, as Admiral Moran said, they're attuned to a different part. So we need to use all of that time. Basic training is about right. Recruit Training Center, they've got that down pretty well. But A school, we've got to do better.

So now you get into the fleet. And I get you in A school and C school. You're ready to go. I'm assuming you're all lined up with the systems you're working with. When's the next time you get a major training? It's years. It's way too many years. And meanwhile the equipment on your ship or in your aircraft squadron is changing over.

I need to get you more training in between that time, probably close to the waterfront so that you're not gone from your command so long, or waiting when you're in between stations. We need to take advantage of the folks we have in there.

We used to have a term we'd say we want to accelerate your life. Well, we ain't accelerating it, we've got to accelerate training to accelerate your life. That's where we need to get in this.

**Vice Adm. Moran:** I call this the industrial model. We bring in 40,000 sailors a year through the gates of Great Lakes to all of our education institutions on the officer side. We push them through only to get to a much smaller number at the end of a career, and the numbers are pretty staggering when I look at it. Thirteen percent of our folks, they join the service, stay to 20 years. That's a pretty small number. And it's pretty inefficient when you're bringing that many people in every year and you run into folks sitting around waiting for schools to start because we don't have capacities or we surge in the summer and the fall and then we lighten up in the winters. The system does not have the flexibility to do that.

So CNO has asked me to look at how do we speed it up? How do we make it more efficient? Then how do we make sure we get only the necessary training to get that sailor to the waterfront, to the hangar bay, to the submarine, and with the right training, ready to start work. Then as they grow and as they demonstrate they want to commit to the Navy, we get them back in school. We

get them refresher training. We allow their NECs to grow and their experience to grow, and it's going to make them a better sailor. So that's the overarching vision.

We're going to start six pilots, starting this fall, six different ratings, we're going to start piloting this. You'll see our A and C school numbers go down by half in most of those rates. And that's a pretty significant change to the way we're going to do it. But we have to invest in technology. We've got to bring that waterfront training alive, if you will, and that's something the resource sponsors and the [TICOMs] are working hard on today. So I'm pretty excited about this. A lot of potential here.

**Adm. Greenert:** We do it with every other weapon system. People aren't weapons but they're the asymmetric advantage. Why aren't we doing that with our personnel system? Well, we haven't. But we are now. We're going to do this.

**Lt. Hutcheson:** The same incremental upgrades to modernize a sailor's readiness just like a ship or aircraft.

**Adm. Greenert:** That's right.

So as Admiral Moran mentioned, the good people down in Millington, the Naval Personnel Command, they're trying to deliver the product but they're on battleship technology here. It just doesn't add up. It won't align.

**Lt. Hutcheson:** Admiral, we've talked a lot about sort of the way forward and things that you're working on, but as we look to our native culture as a whole, and the rich history that we have to draw on. Admiral, you've talked about that a lot. What are you looking at right now as we pull on our heritage and the Navy's culture. What are you looking to change or evolve?

**Adm. Greenert:** One of the greatest things about our Navy has been the ability to adapt. Sail, steam, nuclear power, battle ships, carriers, Aegis, and all that goes with all that. And our sailors always made this happen. They adopted it, took it aboard and adapted it.

So diversity. We have to get over -- This is not a novel idea anymore. This is the future. All you've got to do is take a look in a book, go on-line, and look and see what are the demographics of this country? That's where we have to go.

So gender integration has to move on in a very deliberate and complete manner. We have to get there. That's a cultural thing. We're still sort of into the novelty of it. You know how long we've been doing this? Thirty-five years. How about 35 years? So we have to get there.

But also it's race, color creed. All of that geographical area. The diversity and the richness of this country. We have to roll into the Navy.

Now it's really nice and I'm moving my hands and all that, but culturally we've got to embrace it. When we do that, and the sailors and the leaders say okay, we're going to do this, we'll be

awesome. But until we do that, we're going to be iterative and it's going to be herky jerky and we are going to sub-optimize that. So that's the cultural shift we need.

**Lt. Hutcheson:** Admiral, CNO mentioned gender integration and the work on that. As you look specifically to the role of women in the Navy and improving or adapting their quality of service, what are you looking at there? Are you looking at recruiting, retention, what are your thoughts on the quality of service for women?

**Vice Adm. Moran:** My first thought is for the women I've met and served with in the fleet, we're bringing in incredible quality. The young women we bring in the enlisted force and the officer communities throughout the fleet are incredible.

The numbers we could argue, do we have enough or do we need to bring in more? We're going to continue to push to bring in more women because as the CNO said, the market is what it is. And we have to go after that market.

Our biggest challenge, though, is once we get them in the door is be able to keep them and retain them at a rate that allows us to sustain the force over time. And I think we go back to the beginning of our conversation about the personnel system being so rigid and inflexible. We don't provide options for men and women that keep them at the rate we'd like to see. So we've got to attack all of this at the same time. We can't just pick, you know, we're going to bring in more women and we're going to have larger numbers. We've got to go after the things that are distracting them and deterring them from wanting to make it a career. I think the better we do at that the more women we'll keep and the more women that will want to join our team, and I think that's a direction we're headed in all the things the CNO's asked us to do.

Again, I'm excited about it. I'd like to snap my fingers and get going. But we've got to do it deliberately. We've got to make sure we get it right. You see it in the women and submarine effort today. Very deliberate effort to make sure we've got leadership in place at the right levels before we bring in junior enlisted. But that's a path we're on, and I think today 96 percent of our billets are open to women today and I think before long you'll see all of them. I think that's a great thing for the Navy.

**MC1 Fabrizio:** Sir, you talk about alleviating some of the rigidity in the system. Will there be more opportunity to start and stop a Navy career, to have an intermission for something like, with women, focusing on family or even for men, focusing on family, and then returning to the Navy career and kind of picking up where you left off.

**Vice Adm. Moran:** There is a lot of focus on that, MC1. And fundamentally it comes down to when CNO and I joined the Navy a few years ago, we had 30 percent of our force were married. Today it's over 70 percent. A lot more dependents out there, young kids. So the challenges have shifted. The demographics and our priorities have shifted when you're talking about managing people. And the system has not adapted as well or as quickly to that demand signal.

The things we're looking at doing are family related, are focused on family because it affects both men and women in our service. I think the better we're able to deal with the family-related issues the better we're going to be able to deal with career flexibility in the future.

So there are things out there like the Career Intermission Program that CNO's asked us to go out and expand the authority so that we can allow that for more people who are interested in doing it. We've seen great success stories about people who have taken a break for a year or two or three, come back in the Navy and continue to make milestones and keep it a career. Those are things for starting school, starting a family, taking care of a loved one. There are so many things that challenge us on a day to day basis when you're a sailor and sea duty that we have to have options. Otherwise we're going to lose good people because they feel like they have no choice.

AC to RC and back is an off-ramp and on-ramp that I think we could do a lot more of. It further integrates the active force with the reserve force in a way that we've done over the last 15 years with IA's. But now that we're pulling off that IA requirement in many respects, are we going to pull away from that integration effort that we've had for so many years that we've learned has been very good for the Navy? I think we could do better on that front too, so we're looking at a lot of different options. We're going to do more piloting to make sure we get it right. Then where we see success, build off of that success and keep going.

**Lt. Hutcheson:** It sounds like that integrated with a lot of the issues that you've been talking about, year groups and other efforts is really going to reinvigorate the force to look at ways that they can stay and remain in service. That's great to hear.

**MC1 Fabrizio:** Going back to our Navy culture real quick, how about our culture of fitness? I know on the Navy Times this week they talk about big PFA changes, and I know there's nothing official out yet, but what can sailors expect in that area?

**Vice Adm. Moran:** There are a few topics that hit every All Hands Calls. MCPON and I talk about it all the time.

**Adm. Greenert:** Uniforms and --

**Vice Adm. Moran:** Uniforms and PRT. The aspect of PRT that's most frustrating is the BCA aspect. So when I look at sea service and we're out at sea with sailors, it is a real challenge to understand why we're throwing out as many sailors as we do for BCA. And everybody knows the rule. Three BCA failures in a four year period, it's almost automatic. There are packages that come across both our desks that we just, it breaks our hearts to see a young man or woman at 18 years, 19 years and is just struggling to stay inside our current standards, and they're within a percentage of that. And the chain of command tells us how great they are at what they do and the benefit they provide to the Navy and yet the policy is what it is.

So we've decided to take a real look at it. As we were looking at uniforms of all things, we discovered that the last time we really assessed the body types in the Navy --

**Adm. Greenert:** Why are you pointing at me when you say uniforms?

**Vice Adm. Moran:** It's me too.

**Adm. Greenert:** Good.

**Vice Adm. Moran:** It's our problem. But when we look at that we learned that we hadn't done a study on body types and how they might have evolved over time, and Lord knows they have. In 30 years. So we're doing that study today to answer a uniform question, but it's also going to help us understand what adjustments we want to make in our current standards.

So we've had a lot of working groups, a lot of focus groups, a lot of great feedback from the fleet. MCPON and I have both talked about this at length. We're ready to make some proposals to CNO and to the Secretary and that's coming here in the very near term, about changing especially the BCA factors and how we incentivize better health. It really comes down to I don't want to see you starve yourself and not drink water for four or five days just to get through that BCA process and the weigh-ins. We all know the stress that puts people on. That is not better health. That is just trying to get through it an inspection and that's not what we're trying to do.

My guidance to the team was just do something that makes sense, and encourage and incentivize better health. If you can satisfy those two things, then we're going to make a good proposal to the CNO. So it's coming. I won't break the news here because I've got to get permission first.

**Adm. Greenert:** I won't sleep a wink until I hear from you.

**MC1 Fabrizio:** Sir, I think a lot of sailors will look forward to that. I know the two issues sailors generally have with the fitness that they bring to you and that's the PFA, the BCA standards, and then other sailors look for hey, I'm working out all the time, I'm in great shape, I'm scoring outstanding, how is the Navy going to incentivize my additional effort? I was wondering if you could speak a little bit on what's on the table for that since you mentioned incentivizing fitness.

**Vice Adm. Moran:** You're good, MC1. I'm not going to go there because if I let that cat out of the bag, I won't leave any decision space for my bosses. But I can assure you that there are incentives in place that we're going to recommend that are different than the current incentives. But the biggest one has to be to incentivize better health. We want you healthier in the end.

**MC1 Fabrizio:** Before we conclude I'd like to add, is there anything either of you would like to add to this conversation? CNP, we'll start with you.

**Vice Adm. Moran:** I'd just say when CNO brought me into this job 18 months ago we were in the throes of sequestration. It was 19 months ago, the fleet was really struggling for being able to operate and train. We were looking at furloughs for our civilian work force which is another aspect of talent management and managing the folks that we have that we are also addressing. But he said hey, get out and talk to the fleet. We've got to be talking to our sailors when we're in a crisis mode like we were under sequestration. A lot of uncertainty out there. So we got through sequestration.



There was a lot of pain in that effort. But now there's also uncertainty when you look at some of the commission report recommendations that are out there. All of this involves people, it involves families, it involves our future. So CNO's mandate was to get out and talk, get feedback and then bring things back that are actionable for all of us to take. All I can say is I really appreciate the opportunity to spend as much time as I have with sailors on the flight decks, on the hangar bays, and everywhere else around the fleet, and have had some terrific feedback. And I just want to assure sailors out there that we're listening to what they're asking. We're trying to address their concerns. And you've got somebody over here that's running the Navy who really appreciates that and wants to make a difference in the lives of our sailors and their families.

I look forward to the coming months as we start implementing some of these other ideas we just talked about this morning.

**MC1 Fabrizio:** CNO, is there anything you'd like to add to this conversation?

**Adm. Greenert:** Yeah. First of all I want to thank all the sailors out there in the sound of my voice serving especially those that at sea who have the watch tonight. But as Admiral Moran said, people, they make all the difference. There's so much going on today and I think of it somebody with a pole spinning the plates. If you've ever seen the magician or whoever doing that. So we have a lot going on. And people are getting it done.

The pole that enables us to go from plate to plate and keep it spinning are our people. And that pole's been rigid, it's been there all the time. We have to take, if you will, good care of it.

So I want to give a shout out, really, to the Navy Personnel Command. The people in Millington. I have never served there, you know, and I've been on the other end of the phone too with the detailers saying what were they thinking? What the heck is going on down there? And then you go down there and you see the rules that we give them to work with and it's not right. They're fighting a battle with one leg and one arm behind their back sometimes and they do pretty darn good work. So we're going to bring them into, as Admiral Moran said, the 21<sup>st</sup> century and give them the right tools. Then we've got to move ahead into this next century, if you will, and the next decade. A lot of challenges, but the time is now to get this very very important weapon system right, the personnel management.

So thanks for the opportunity to have this chat with CNP and I. We're onto something here I think is important.

**Lt. Hutcheson:** Admirals, thank you so much for joining us for another edition of Conversation with a Shipmate.

And thanks for watching. We'll see you next time.

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